FOREIGN CORPORATIONS—BUSINESS IN OTHER STATES—LICENSE—PURPOSE OF INCORPORATION—EVASION OF STATE LAWS.—A Missouri statute provides that "the Secretary of State shall not license any foreign corporation to do business in Missouri when it shall appear that such corporation was organized under the laws of a foreign state by citizens and residents of Missouri for the purpose of avoiding the laws of this state." A building corporation was organized in New Jersey for a purpose not contrary to the public policy of the state of Missouri. All but one of the shares of stock were subscribed for by citizens of Missouri and the property and business of the corporation were mainly located in that state. The plaintiff tendered to the Secretary of State of Missouri a certified copy of its articles of incorporation duly authenticated by the proper authorities of New Jersey and in addition thereto, all the sworn statements required by the laws of Missouri. The license was refused. *Held,* that the facts were insufficient to establish that the corporation was formed in New Jersey for the purpose of evading the laws of Missouri. Mandamus issued. *State ex rel. Brown Contracting and Building Co.* v. *Cook, Secretary of State* (1904), — Mo. —, 80 S. W. Rep. 929.

This well considered decision is in line with the opinion of most courts and thoroughly reviews the legal history of tramp corporations. See also CLARK & MARSHALL ON PRIVATE CORPORATIONS, § 838; COOK ON CORPORATIONS, § 237-240; *Lancaster* v. *Amsterdam Improvement Co.,* 140 N. Y. 576, 35 N. E. Rep. 964, 24 L. R. A. 322; *Cincinnati Second Nat. Bank* v. *Lovell,* 2 Cin. Sup. Ct. Rep. 397. There are two well defined classes of tramp corporations whose admission the rule of comity does not require: (1) Where the state creating the corporation will not permit it to do business within its own boundaries. *Railway Co.* v. *Board,* 6 Kan. 245; (2) Corporations organized abroad in evasion or fraud of the laws or policy of the state where the corporation does business or of the state where the corporation is organized. See note in 24 L. R. A. 291; *Hill* v. *Beach,* 12 N. J. Eq. 31. The Missouri case does not fall within either class. The mere fact that citizens of a state go into another state to incorporate and come back home to conduct business is not a badge of fraud. To hold otherwise would be to discriminate in favor of citizens of a foreign state. AM. & ENG. ENC. OF LAW, 2d Ed., Vol. 13, p. 486. On the subject of "tramp corporations" an interesting article appears in the AMERICAN LAWYER, Vol XI, p. 13 (1903).

FRAUD—DOCTRINE OF REASONABLE INQUIRY.—The defendant, falsely representing that it was the owner of a newly invented machine, by the use of which matches could be manufactured at one-fifth the cost and five times as rapidly as by any other known means; that the machine would do the entire work of making the matches; that it would place them in boxes, wrap the boxes into packages, pack them ready for shipment, print advertising matter on the boxes and, if desired, on each match; induced the plaintiff to contract for the purchase of shares of its stock. In a suit to rescind the contract and recover money paid under it, *Held,* that as the representations were made concerning a complicated machine, the plaintiff was not bound to make inquiry as to their truth or falsity and was entitled to the relief prayed for. *Mul-*

holland v. *The Washington Match Co.* (1904), — Wash. —, 77 Pac. Rep. 497.

The doctrine announced in this case is undoubtedly sound, *Speed* v. *Hollingsworth,* 54 Kan. 436; *Faribault* v. *Sater,* 13 Minn. 223; *Cottrill* v. *Krum,* 100 Mo. 397, 18 Am. St. Rep. 549, though the facts would almost seem to warrant an application of the rule, that where the exercise of ordinary prudence would have prevented deception, no relief will be given. *Moore* v. *Turbeville,* 2 Bibb 202, 5 Am. Dec. 642; *Morrill* v. *Madden,* 35 Minn. 493. The doctrine of caveat emptor does not apply to the purchase of the right to sell an invention, *Heater Co.* v. *Heater Co.,* 32 Fed. 723, nor need the vendee inspect the public records to ascertain what is covered by a patent. *David* v. *Park,* 103 Mass. 501; *Rose* v. *Hurley,* 39 Ind. 77; *McKee* v. *Eaton,* 26 Kan. 226. Where, however, an opportunity is given the vendee to test a machine, and he relies on statements made by the vendor, concerning such test, he is bound thereby. *Machine Works* v. *Meyer,* 15 Ind. App. 385; 44 N. E. 193.

GUARDIAN—APPOINTMENT—JURISDICTION—SALE OF WARD'S LANDS.—The Probate Court of the county in which a minor's lands were located, the minor being domiciled in an adjoining county, issued letters of guardianship of the person and estate of the minor, and upon application, made its order directing the sale of the minor's interest in the real estate situated in said county, under which the interest of the minor was sold. A guardian subsequently appointed by the Probate Court of the county in which the minor was domiciled brought an action of partition. *Held,* that the proceedings in the Probate Court in the county which was not the domicile of the minor were void and that the guardian's deed was void as against the purchaser at such guardian's sale, and also void as against his grantee. *Connell* v. *Moore et al.* (1904), — Kan. —, 78 Pac. Rep. 164.

The statutes of most of the states provide that the court having jurisdiction to appoint a guardian is that of the county of the ward's residence. Appointments made in disregard of this provision are usually held void. *Estate of Taylor,* 131 Cal. 181; *The Modern Woodmen of America* v. *F. S. Heston as Guardian, etc.,* 66 Kan. 129. This, however, has not always been the case, *Judge of Probate* v. *Hinds,* 4 N. H. 464. The Kansas statute did not contain a special provision designating what Probate Court would acquire jurisdiction of the person and estate of minors. The decision of the court was based on the clear and reasonable inference drawn from the statute that the Probate Court having jurisdiction was that of the county in which the minor was domiciled, citing *De Jarnett* v. *Harper,* 45 Mo. App. 415; also that the Legislature would not be presumed to act against the interests of minors.

MARINE INSURANCE—ABANDONMENT UNDER VALUED POLICY—RIGHT TO DAMAGES RECOVERED.—A vessel, insured under a valued policy, was sunk in a collision through the fault of the other vessel. The owners of the wrecked ship, which was an actual total loss, made formal abandonment to the insurers and gave them a bill of sale. The insurers settled to the full amount of their policies. After this, the insured libelled the vessel in fault and recovered as damages the full value of the vessel lost, an amount largely in excess of the